

STATE OF TENNESSEE
16th JUDICIAL DISTRICT
CIRCUIT COURT

SUMMONS

CASE FILE NUMBER

S9897

PLAINTIFF

LARRY CHANEY, et ux. DANA CHANEY

DEFENDANT

STATE FARM FIRE AND CASUALTY COMPANY

vs.

TO: (NAME & ADDRESS OF DEFENDANT)

STATE FARM FIRE AND CASUALTY COMPANY

SERVE THROUGH COMMISSIONER OF INSURANCE

List each defendant on a separate summons.

YOU ARE HEREBY SUMMONED TO DEFEND A CIVIL ACTION FILED AGAINST YOU IN CIRCUIT COURT, RUTHERFORD COUNTY, TENNESSEE. YOUR DEFENSE MUST BE MADE WITHIN THIRTY (30) DAYS FROM THE DATE THIS SUMMONS IS SERVED UPON YOU. YOU ARE DIRECTED TO FILE YOUR DEFENSE WITH THE CLERK OF THE COURT AND SEND A COPY TO THE PLAINTIFF'S ATTORNEY AT THE ADDRESS LISTED BELOW. IF YOU FAIL TO DEFEND THIS ACTION BY THE ABOVE DATE, JUDGEMENT BY DEFAULT CAN BE RENDERED AGAINST YOU FOR THE RELIEF SOUGHT IN THE COMPLAINT.

Attorney for plaintiff:

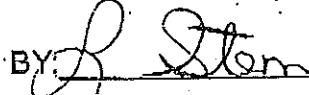
(Name, address & telephone number)

Raymond G. Prince
PRINCE & HELLINGER, P.C.
150 Second Avenue North, Suite 300
Nashville, TN 37201
(615) 244-8630

DATE ISSUED & ATTESTED

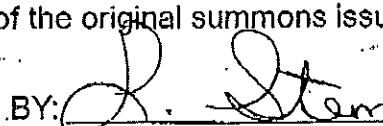
Nov 19 2009

ELOISE GAITHER, Circuit Court Clerk

BY:  Deputy Clerk

CERTIFICATION

I, ELOISE GAITHER, Clerk of the Circuit Court of Rutherford County, Tennessee, do certify this to be a true and correct copy of the original summons issued in this cause.

BY: 

DEPUTY CLERK

TO THE SHERIFF:

Please execute this summons and make your return within thirty days of issuance as provided by law.

DATE RECEIVED

Sheriff

RETURN ON PERSONAL SERVICE OF SUMMONS

I hereby certify and return that I served this summons together with the complaint as follows:

DATE OF PERSONAL SERVICE:

Sheriff

BY:

ACCEPTANCE OF SERVICE

I do hereby accept service of process and a copy of this complaint in this cause for all purposes. This the _____ day of _____, 20 _____. _____

RETURN ON SERVICE OF SUMMONS BY MAIL

I hereby certify and return that on the _____ day of _____, 20 ___, I sent, postage prepaid by registered return receipt mail or certified return receipt mail, a certified copy of the summons and a copy of the complaint in case # _____ to the defendant _____, on the _____ day of _____, 20 ___. I received the return receipt, which has been signed by _____ on the _____ day of _____, 20 ___. The return receipt is attached to this original summons to be filed by the Clerk of Court.

Sworn to and subscribed before me on this _____
day of _____, 20 _____. _____

Signature of Notary Public or Deputy Clerk

My Commission Expires: _____, 20 _____. _____

Signature of plaintiff, plaintiff's attorney or other person authorized by statute to serve process.

NOTICE OF PERSONAL PROPERTY EXEMPTION

TO THE DEFENDANT(S):

Tennessee law provides a four thousand dollar (\$4,000.00) debtor's equity interest personal property exemption from execution or seizure to satisfy judgement. If a judgement should be entered against you in this action and you wish to claim property as exempt, you must file a written list, under oath, of the items you wish to claim as exempt with the clerk of the court. The list may be filed at any time and may be changed by you thereafter as necessary; however, unless it is filed before the judgement becomes final, it will not be effective as to any execution or garnishment issued prior to the filing of the list. Certain items are automatically exempt by law and do not need to be listed; these include items of necessary wearing apparel (clothing) for yourself and your family and trunks or other receptacles necessary to contain such apparel, family portraits, the family Bible, and school books. Should any of these items be seized you would have the right to recover them. If you do not understand your exemption right or how to exercise it, you may wish to seek the counsel of a lawyer.

Mail list to: ELOISE GAITHER
Circuit Court Clerk
Room 201 Judicial Building
Murfreesboro, TN 37130

Please state file number on list.

ATTACH
RETURN
RECEIPT
HERE
(IF APPLICABLE)

COPYIN THE CIRCUIT COURT FOR RUTHERFORD COUNTY, TENNESSEE
AT MURFREESBORO

FILED	
TENNESSEE	
NOV 09 2009	
10:35 O'CLOCK	ELDISE GAITHER, CLERK
DEPUTY CLERK	

LARRY CHANEY, et ux. DANA)
CHANAY,)
Plaintiffs,)
v.)
STATE FARM FIRE AND)
CASUALTY COMPANY,)
Defendant.)

Civil Action No. 59897

JURY DEMAND

COMPLAINT

PARTIES AND JURISDICTION

1. Plaintiffs are citizens and residents of Rutherford County, Tennessee, residing at the time of the accrual of this cause of action at 628 Crescent Road, Murfreesboro, Tennessee 37128.
2. Defendant is an insurance company doing business in Rutherford County and in the State of Tennessee.
3. As of the date of Plaintiffs' loss described hereinafter, Defendant provided a homeowner's policy of insurance which covered Plaintiffs' property located at 628 Crescent Road, Murfreesboro, Tennessee 37128. This action is based upon the nonpayment by Defendant of covered losses arising out of a fire at the covered address on April 19, 2009.
4. Jurisdiction and venue are proper in the Circuit Court for Rutherford County, Tennessee.

FACTS

5. At all times material herein, Plaintiffs were insureds of Defendant under a homeowner's insurance policy issued by Defendant to Plaintiffs, policy number 42-J8-0121-4. A partial copy of said policy is attached hereto as Exhibit 1.

6. On April 19, 2009, Plaintiffs' real and personal property was in large part destroyed by a fire at the covered address, 628 Crescent Road, Murfreesboro, Tennessee 37128.

7. Plaintiffs made timely claim upon Defendant for payment of their covered losses arising out of the fire at issue.

8. On October 12, 2009, as evidenced by the attached Exhibit 2, Defendant denied Plaintiffs' claim.

CAUSES OF ACTION

9. Defendant's refusal to pay Plaintiffs' covered losses under the policy at issue is a breach of said policy. By reason of such breach, Plaintiffs have sustained damages.

10. As of the filing of this Complaint, Plaintiffs do not have sufficient information to allege that Defendant's conduct evidenced a lack of good faith as that term is defined in T.C.A. § 56-7-105. Should Plaintiffs obtain evidence of Defendant's lack of good faith, Plaintiffs will seek to amend their Complaint.

11. Defendant's refusal to pay policy benefits to Plaintiffs may have been unfair and deceptive under the Tennessee Consumer Protection Act, T.C.A. § 47-18-101, *et seq.* Should Plaintiffs obtain evidence of Defendant's unfair and deceptive acts, Plaintiffs will seek to amend their Complaint.

PREMISES CONSIDERED, PLAINTIFFS PRAY:

1. That proper process issue and be served upon the Defendant requiring it to appear and answer this Complaint;
2. For a judgment for all sums due under the insurance policy at issue;
3. For a jury of twelve to try this action;
4. For the Court costs in this cause;
5. For discretionary costs; and
6. For general relief.

Respectfully submitted,

PRINCE & HELLINGER, P.C.

Raymond G. Prince (No. 5592)
150 Second Avenue North, Suite 300
Nashville, Tennessee 37201-1920
(615) 244-8636
Attorney for Plaintiffs

C:\Documents and Settings\owner\My Documents\owner share\CLIENTS\CHANEY, Larry and Dana\COMPLAINT (11.04.09).wpd

State of Tennessee, Rutherford County The undersigned
Circuit Court Clerk of the said County and State
hereby certifies that the foregoing is a correct
copy of the instrument filed in the foregoing
case in the Circuit Court at Murfreesboro, Tennessee.

This 9 day of NOV 2009
ELOISE GATHERER CLERK

Deputy Clerk

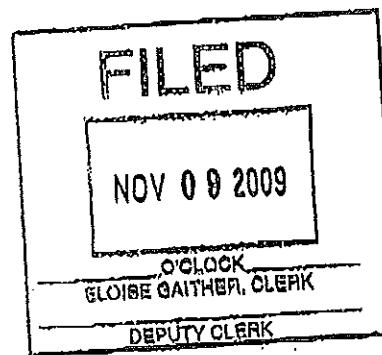


EXHIBIT 1

State Farm Fire and Casualty Company
Home Office, Bloomington, Illinois 61710



State Farm Fire and Casualty Company
2500 Memorial Blvd
Murfreesboro, TN 37131-0001

CERTIFICATE

I, the undersigned, do hereby certify that I am custodian of the records pertaining to the issuance of policies issued by State Farm Fire and Casualty Company of Bloomington, IL that are processed by the Personal Lines Fire Division of the State of Tennessee.

Based on our available records, I further certify that the attached Renewal Certificate dated Jun 04 2008 represents a true copy of the policy provisions and coverages as of May 14 2009 for policy 42-J8-0121-4 issued to Larry Chaney, 628 Crescent Rd., Murfreesboro TN 37128-6132.

A handwritten signature in black ink that appears to read "Destinee Rogers".

Destinee Rogers
Underwriting Team Manager

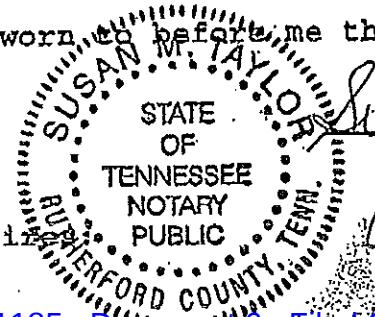
State of Tennessee

County of Rutherford

Subscribed and sworn to before me this 15th day of May, 2009.

Susan M. Taylor
Notary Public

My commission expired April 22, 2012





2500 Memorial Boulevard
Murfreesboro, TN 37131-0001

0-11- 2206-F327 H F

CHANAY, LARRY
62B CRESCENT RD
MURFREESBORO TN 37128-6132

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

POLICY NUMBER: 2018012424
Homeowners Policy
JUL 19 2008 to JUL 19 2009

TO BE PAID BY MORTGAGEE

Coverages and Limits

Section I

A Dwelling	Up To	\$184,800
Dwelling Extension		18,480
B Personal Property		138,600
C Loss of Use	Actual Loss Sustained	

Deductibles - Section I

All Losses	500
------------	-----

Section II

L Personal Liability	\$300,000
Damage to Property of Others	500
M Medical Payments to Others (Each Person)	5,000

Location: Same as Mailing Address

Loss Settlement Provisions (See Policy)

A1 Replacement Cost - Similar Construction
B1 Limited Replacement Cost - Coverage B

Forms, Options, and Endorsements

Homeowners Policy	FP-7955.KT
Increase Dwlg up to \$36,960	OPT ID
Ordinance/Law 10% / \$18,480	OPT OL
Jewelry and Furs \$1,500/\$2,500	OPT JF
TN Amendatory Endorsement	FE-7242.4
Policy Endorsement	FE-5320
Fungus (Including Mold) Excl	FE-5398
Motor Vehicle Endorsement	FE-5452
Telecommuter Coverage	FE-5831

Annual Premium \$954.0

Premium Reductions

Home/Auto Discount	139.0
Claim Free Discount	103.0

Inflation Coverage Index: 214.6

Thanks for letting us serve you...

N 3770 4011
90,1V,DR

Agent PHILLIP HOENIG
Telephone (615) 893-3534

If you have moved, please contact your agent.
See reverse side for important information.

REC

Prepared JUN 04 2008

CONTINUED FROM FRONT

Mortgagee: GMAC MORTGAGE LLC
ITS SUCCESSORS AND/OR ASSIGNS

Loan No: 0473419349

Consumer Reports - Consumer reports may be used to determine the price you are charged. We may also obtain and use a credit based insurance score developed from information contained in these reports. We may use a third party in connection with the development of your insurance score.

Your premium was influenced by information from consumer reports:

Time since the most recent account delinquency.

Please refer to the enclosed insert for additional details.

Your coverage amount....

It is up to you to choose the coverages and limits that meet your needs. We recommend that you purchase a coverage limit equal to the estimated replacement cost of your home. Replacement cost estimates are available from building contractors and replacement cost appraisers, or, your agent can provide an estimate from Xactware, Inc.® using information you provided about your home. We can accept the type of estimate you choose as long as it provides a reasonable level of detail about your home. State Farm® does not guarantee that any estimates will be the actual future cost to rebuild your home. Higher limits are available at higher premiums. Lower limits are also available, which if selected may make certain coverages unavailable to you. We encourage you to periodically review your coverages and limits with your agent and to notify us of any changes or additions to your home.

NOTICE TO POLICYHOLDER:

For a comprehensive description of coverages and forms, please refer to your policy.

Policy changes requested before the "Date Prepared", which appear on this notice, are effective on the Renewal Date of this policy unless otherwise indicated by a separate endorsement, binder, or amended declarations. Any coverage forms attached to this notice are also effective on the Renewal Date of this policy.

Policy changes requested after the "Date Prepared" will be sent to you as an amended declarations or as an endorsement to our policy. Billing for any additional premium for such changes will be mailed at a later date.

During the past year, you've acquired any valuable property items, made any improvements to insured property, or have any questions about your insurance coverage, contact your State Farm agent.

Please keep this with your policy.

11008qg Rev. 06-2005



2500 Memorial Boulevard
Murfreesboro, TN 37131-0001

CHANAY, LARRY
628 CRESCENT RD
MURFREESBORO TN 37128-6132

0-11- 2206-F327 H F

POLICY NUMBER

HOMEOWNERS AVAILABLE COVERAGE NOTICE

SEE RENEWAL CERTIFICA

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

IT IS IMPORTANT THAT YOU OCCASIONALLY REVIEW THE COVERAGES AND LIMITS IN YOUR HOMEOWNERS POLICY TO BE CERTAIN YOUR NEEDS ARE BEING MET. THE FOLLOWING INFORMATION WILL ASSIST YOU IN THE REVIEW PROCESS.

THE COVERAGE LIMITS FOR COVERAGE A - DWELLING, COVERAGE B - PERSONAL PROPERTY, COVERAGE L - PERSONAL LIABILITY, AND COVERAGE M - MEDICAL PAYMENTS TO OTHERS ARE LISTED ON THE ACCOMPANYING RENEWAL NOTICE. PLEASE REVIEW THESE LIMITS TO DETERMINE IF THEY ARE ADEQUATE IN THE EVENT OF A LOSS.

THE FOLLOWING IS A PARTIAL LIST OF THE OPTIONAL COVERAGES YOU HAVE NOT ADDED TO YOUR POLICY. THEY MAY BE AVAILABLE TO YOU FOR AN ADDITIONAL PREMIUM.

Back-Up of Sewer or Drain (for damage caused by water from outside the plumbing system which backs up through sewers or drains)

Business Property (for higher limits)

Business Pursuits Liability (for teachers, school administrators, sales persons, and clerical workers)

Child Care Liability (for those providing child care in their home)

Earthquake

Firearms (for broadened coverage and higher limits)

Home Computers (for higher limits)

Incidental Business Liability (for those with an incidental office, studio, or school in the home)

Jewelry and Furs (for broadened coverage and higher limits)

Loss Assessment (for neighborhoods with Homeowners Associations)

Nurses Professional Liability (for those in the nursing profession)

Personal Injury (for your liability to others caused by certain acts of libel, slander, invasion of privacy, false arrest)

Silverware/Goldware (for broadened coverage and higher limits)

This notice contains only a general description of the coverages and is not a contract. All coverages are subject to the provisions in the policy itself. Should you have a need for any of these coverages or higher limits, contact your State Farm Agent to discuss details, cost and eligibility.

Special Notice

If you have a need for Flood Insurance, contact your agent to determine if you are eligible for coverage through the National Flood Insurance Program. A separate application is required.

N 3772 90,1V,DR 4011

Agent PHILLIP HOENIG
Telephone (615) 893-3534

REB

Prepared JUN 04 2008

THE FOLLOWING IS A PARTIAL LIST OF THE OPTIONAL COVERAGES YOU HAVE NOT ADDED TO YOUR POLICY. THE
MAY BE AVAILABLE TO YOU FOR AN ADDITIONAL PREMIUM.

**AMENDATORY ENDORSEMENT
(Tennessee)****SECTION I - LOSSES INSURED**

We insure for accidental direct physical loss to property described in Coverages A and B caused by sinkhole collapse, meaning sudden settlement or collapse of the earth resulting from subterranean voids created by the action of water on limestone or similar rock formations. We do not insure against loss caused by abandonment of the property covered.

SECTION I - LOSSES NOT INSURED

The reference to "sinkhole" is deleted from Earth Movement.

SECTION I AND SECTION II - CONDITIONS

Right to Inspect is added:

Right to Inspect. We have the right but are not obligated to make inspections and surveys at any time, give you reports on conditions we find and recommend changes. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged.

We do not:

a. make safety inspections;

- b. undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public;
- c. warrant that conditions are safe or healthful; or
- d. warrant that conditions comply with laws, regulations, codes or standards.

This condition applies not only to us but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

Joint and Individual Interests is added:

Joint and Individual Interests. When there are two or more named insureds, each acts for all to cancel or change the policy.

All other policy provisions apply.

POLICY ENDORSEMENT**SECTION I AND SECTION II - CONDITIONS**

The following condition is added:

Premium. The premium for this policy may vary based upon the purchase of other insurance from one of the State Farm affiliated companies.

All other policy provisions apply.

FE-5320
(4/99)

FUNGUS (INCLUDING MOLD) EXCLUSION ENDORSEMENT**DEFINITIONS**

The following definition is added:

"fungus" means any type or form of fungus, including mold, mildew, mycotoxins, spores, scents or byproducts produced or released by fungi.

SECTION I - LOSSES INSURED

Item 12.d. is replaced with the following:

d. caused by or resulting from continuous or repeated seepage or leakage of water or steam which occurs over a period of time and results in deterioration, corrosion, rust, or wet or dry rot.

Item 13.b. is replaced with the following:

b. caused by or resulting from continuous or repeated seepage or leakage of water or steam which occurs over a period of time and results in deterioration, corrosion, rust, or wet or dry rot.

SECTION I - LOSSES NOT INSURED

Item 1.i. is replaced with the following:

i. wet or dry rot;

In item 2., the following is added as item g.:

g. **Fungus.** We also do not cover:

(1)any loss of use or delay in rebuilding, repairing or replacing covered property, including any associated cost or expense, due to interference at the residence premises or location of the rebuilding, repair or replacement, by fungus;

(2)any remediation of fungus, including the cost to:

(a)remove the fungus from covered property or to repair, restore or replace that property; or

(b)tear out and replace any part of the building or other property as needed to gain access to the fungus; or

(3)the cost of any testing or monitoring of air or property to confirm the type, absence, presence or level of fungus, whether performed prior to, during or after removal, repair, restoration or replacement of covered property.

All other policy provisions apply.

MOTOR VEHICLE ENDORSEMENT**DEFINITIONS**

The definition of "motor vehicle" is replaced by the following:

"motor vehicle", when used in Section II of this policy, means:

- a. a land motor vehicle designed for travel on public roads or subject to motor vehicle registration;
- b. a trailer or semi-trailer designed for travel on public roads and subject to motor vehicle registration;
- c. a "recreational vehicle" while off an insured location. "Recreational vehicle", means a motorized vehicle designed for recreation principally off public roads that is owned or leased by an insured. This includes, but is not limited to, a motorized all terrain vehicle, amphibious vehicle, dune buggy, go-cart, golf cart, snowmobile, trailbike, minibike and personal assistive mobility device;
- d. a "locomotive" while off an insured location. "Locomotive" means a self-propelled vehicle for pulling or pushing freight or passenger cars on tracks that is large enough to carry a person and is owned or leased by an insured;

e. a bulldozer, track loader, backhoe, high-hoe, trencher, grader, crane, self-propelled scraper, excavator, pipe-layer, cherry picker, telehandler, logging vehicle, mining vehicle or road building vehicle that is owned or leased by an insured while off an insured location;

f. any vehicle while being towed or pushed by or carried on a vehicle included in a., b., c., d. or e.;

g. the following are not motor vehicles:

- (1) a motorized land vehicle in dead storage on an insured location;
- (2) a boat, camp, home or utility trailer not being towed or pushed by or carried on a vehicle included in a., b., c., d. or e.;
- (3) a motorized golf cart while used for golfing purposes;
- (4) a motorized vehicle or trailer designed to assist the handicapped that is not designed for travel on public roads or subject to motor vehicle registration;

h. "leased" does not include temporary rental.

All other policy provisions apply.

TELECOMMUTER COVERAGE**SECTION I - COVERAGES****COVERAGE A - DWELLING**

The following replaces item 2.b.:

b. used in whole or in part for **business** purposes unless such use consists solely of use of office space for paperwork, computer work or use of a telephone, and consists solely of activities that are:

- (1) duties of the Insured's employment by another; and
- (2) performed solely by the Insured.

FE-5831

EXHIBIT 2

State Farm®
Providing Insurance and Financial Services
Home Office, Bloomington, Illinois 61710



October 12, 2009

LARRY AND DANA CHANEY
628 CRESCENT ROAD
MURFREESBORO, TENNESSEE 37128

Murfreesboro Operations Center
PO Box 20707
Murfreesboro, TN 37129-9875

**CERTIFIED MAIL-RETURN RECEIPT REQUESTED
AND REGULAR MAIL**

RE: Claim Number: 42-B220-784
Policy Number: 42-J8-0121-4
Date of Loss: April 19, 2009

Dear Mr. and Ms. Chaney:

State Farm Fire and Casualty Company has completed its investigation into the claim for insurance proceeds that you have submitted as a result of the fire damage to the home located at 628 Crescent Road, Murfreesboro, Tennessee 37128.

This letter will serve as formal notice that your claim is denied and your policy voided based on the results of our investigation taken in conjunction with the following insuring agreement, conditions and terms of the insurance contract.

HOMEOWNERS POLICY

DECLARATIONS CONTINUED

We agree to provide the insurance described in the policy.

1. based on your payment of premium for the coverages you chose;
2. based on your compliance with all applicable provisions of the policy;

SECTION I - LOSSES INSURED

COVERAGE A - DWELLING

'We insure for accidental direct physical loss to the property described in Coverage A, except as provided in SECTION I - LOSSES NOT INSURED.

Page 2

COVERAGE B - PERSONAL PROPERTY

We insure for accidental direct physical loss to property described in Coverage B caused by the following perils, except as provided in SECTION I - LOSSES NOT INSURED.

SECTION I - CONDITIONS

12. **Intentional Acts.** If you or any person insured under this policy causes or procures a loss to property covered under this policy for the purpose of obtaining insurance benefits, then this policy is void and we will not pay you or any other insured for this loss.

SECTION I AND SECTION II - CONDITIONS

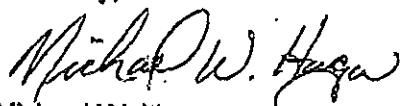
2. **Concealment or Fraud.** This policy is void as to you and any other insured, if you or any other insured under this policy has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, whether before or after a loss.

State Farm Fire and Casualty Company's investigation into your claim revealed you intentionally concealed and misrepresented material facts during the course of the investigation of your claim. Specifically, you concealed and/or misrepresented your knowledge of the cause of the fire, as well as your involvement in the fire.

As a result of your breach of the terms and conditions of your Contract of Insurance by intentionally causing the loss, as well as your intentional concealment and misrepresentation of material facts, your policy is declared void effective April 19, 2009, and your claim is denied. You will be receiving correspondence from our Underwriting Department in the near future regarding same.

By specifying these reasons for denial of the claim, State Farm Fire and Casualty Company does not intend to waive, but rather specifically reserves all of its rights, including other defenses which may be applicable to this claim.

Sincerely,



Michael W. Haga
Team Manager
Special Investigative Unit
866 694 1376
State Farm Fire and Casualty Company

Page 3

cc: CHAD CALDWELL, PUBLIC ADJUSTER
FIRST CALL, INC.
608 W. IRIS DRIVE
NASHVILLE, TN 37204

PARKS T. CHASTAIN,
BROOKS CHASTAIN & BURROW, PLLC
6500 RENAISSANCE TOWER
611 COMMERCE STREET
NASHVILLE, TN 37203

NOV 10 2009 10:30 AM
U.S. DISTRICT COURT
NASHVILLE, TENNESSEE